



CITY OF HAYWARD

AGENDA REPORT

AGENDA DATE 07/05/05

AGENDA ITEM 4

WORK SESSION ITEM _____

TO: Mayor and City Council

FROM: Director of Public Works

SUBJECT: Authorization to Sell the Vacant Surplus Parcel at the Southwest Corner of "A" Street and Hesperian Boulevard

RECOMMENDATION:

It is recommended that the City Council adopt the attached resolution authorizing the sale of the surplus parcel located at the southwest corner of West "A" Street and Hesperian Boulevard to Ray Bartolomucci for \$495,000.

DISCUSSION:

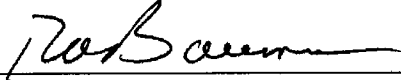
This property is currently vacant and undeveloped. The property was formerly occupied by a Union 76 service station from 1965 through 1991. The property was vacant and undeveloped prior to 1965.

On October 21, 2003, the City Council authorized an Exclusive Negotiating Agreement with Mr. Ray Bartolomucci of Strizzi's Restaurants, Inc., for a long-term Ground Lease. The agreement timeline was extended several times with negotiations continuing into September of 2004. On September 29, 2004, the City received a letter from Mr. Bartolomucci's attorney requesting that the City consider the sale of the parcel rather than a long-term lease. An appraisal prepared for the City by Roessler Associates on November 30, 2004, appraised the property at \$495,000. Staff recommends sale of the parcel to Mr. Bartolomucci for this amount, as described in the purchase agreement, which has been reviewed and approved by the City Attorney. This parcel has been offered for sale or lease to local public entities for low-cost housing, park and recreation purposes, or for public school purposes, as required by law, with no response of interest in the parcel.

As described in the purchase agreement, Mr. Bartolomucci proposes to build a sit down/take out restaurant (Rigatoni's) and executive offices on this property. The purchase agreement describes a timeline of closing escrow by July 31, 2005, processing the necessary planning and building permits by February 28, 2006, with start of construction beginning on May 1, 2006.

Sale of surplus real property is categorically exempt from the provisions of the California Environmental Quality Act (CEQA), pursuant to Section 15312, "Surplus Government Property Sales"; thus, no environmental action is required.

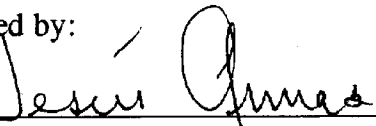
Prepared by:


Robert A. Bauman, Deputy Director of Public Works

Recommended by:


Dennis L. Butler, Director of Public Works

Approved by:


Jesús Armas, City Manager

Attachments: Exhibit A: Plat of Surplus Parcel

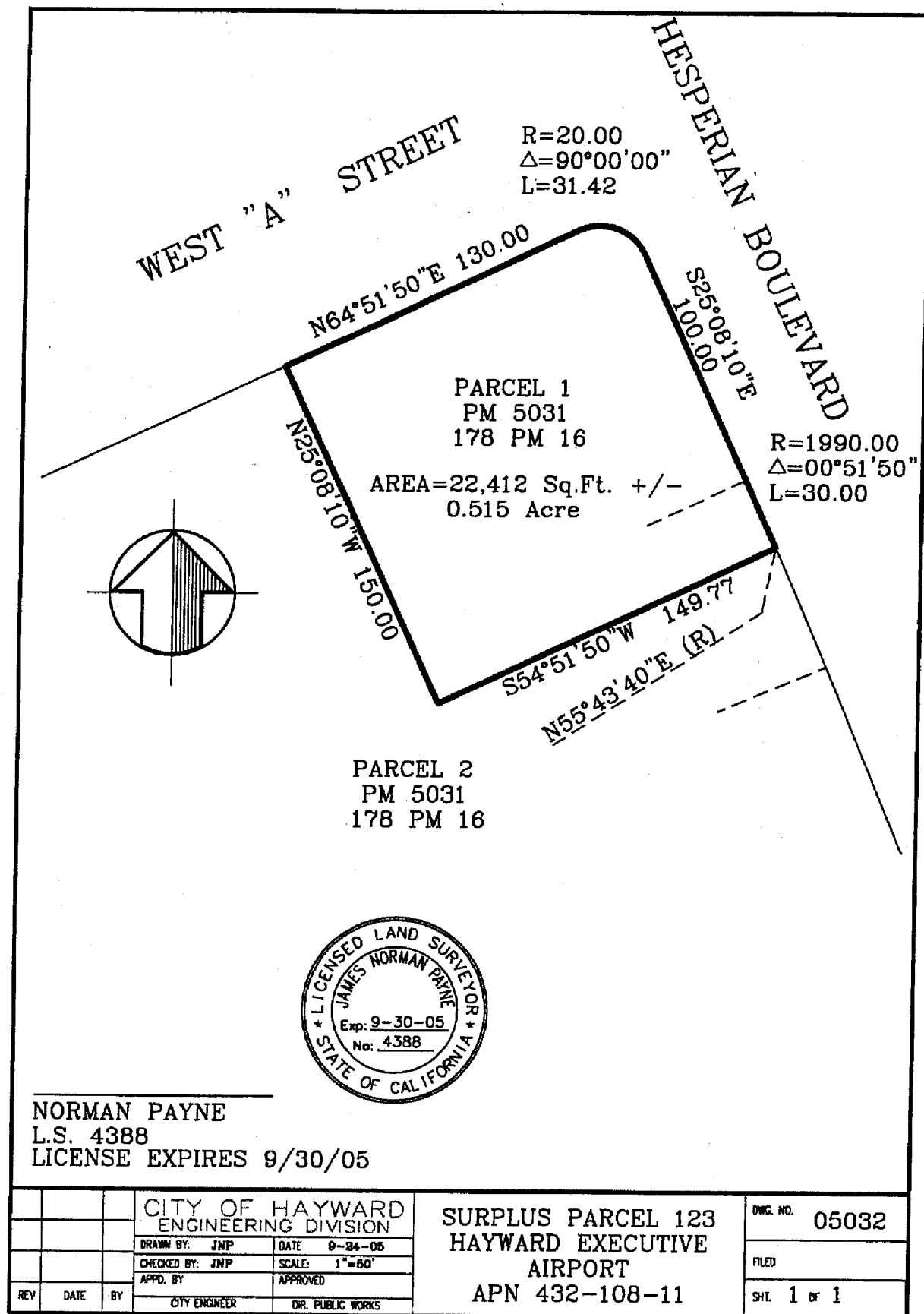


Exhibit A

DRAFT

HAYWARD CITY COUNCIL

RESOLUTION NO. 05-

Introduced by Council Member _____

**RESOLUTION AUTHORIZING SALE OF SURPLUS
PROPERTY PARCEL AT THE SOUTHWEST CORNER OF
WEST "A" STREET AND HESPERIAN BOULEVARD**

WHEREAS, there is a vacant surplus parcel located at the southwest corner of West "A" Street and Hesperian Boulevard that was acquired in 1947; and

WHEREAS, On October 21, 2003, the City Council authorized an Exclusive Negotiating Agreement with Mr. Ray Bartolomucci of Strizzi's Restaurants, Inc., for a long-term Ground Lease; and

WHEREAS, on September 29, 2004, the City received a letter from Mr. Bartolomucci's attorney requesting that the City consider the sale of the parcel rather than a long-term lease; and

WHEREAS, an appraisal prepared for the City on November 30, 2004, appraised the property at \$495,000; staff recommends sale of the parcel to Mr. Bartolomucci for this amount, as described in the purchase agreement, which has been reviewed and approved by the City Attorney; and

WHEREAS, the sale of surplus property is categorically exempt from CEQA pursuant to Section 15312, "Surplus Government Property Sales," and no environmental action is required.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Hayward hereby authorizes the City Manager to sell the vacant parcel at the southwest corner of West "A" Street and Hesperian Boulevard to Mr. Ray Bartolomucci in the amount of \$495,000.

BE IT FURTHER RESOLVED that the City Manager is authorized to execute all documents necessary to complete such disposition.

IN COUNCIL, HAYWARD, CALIFORNIA _____, 2005

ADOPTED BY THE FOLLOWING VOTE:

AYES: COUNCIL MEMBERS:
MAYOR:

NOES: COUNCIL MEMBERS:

ABSTAIN: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

ATTEST: _____
City Clerk of the City of Hayward

APPROVED AS TO FORM:

City Attorney of the City of Hayward